

Message Text

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ORIGIN NEA-10

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TO AMEMBASSY KUWAIT

UNCLAS STATE 216906

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TAGS: BTRA, KU

SUBJECT: KUWAIT OFFICIAL COMPLAINS OF U.S. CUSTOMS
SERVICE TREATMENT

REFERENCE: KUWAIT 4990

1. NEA/ARP OFFICER TALKED WITH THREE OFFICIALS OF U.S.
CUSTOMS SERVICE IN SEATTLE CONCERNING AL-REFAI CASE.
SEVERAL NEW FACTS HAVE COME TO LIGHT REGARDING CIRCUM-
STANCES UNDER WHICH AL-REFAI'S MONEY WAS TAKEN.

2. CUSTOMS INSPECTOR TERENCE MILLHOUSE WHO WAS PRESENT
WHEN AL-REFAI CAME THROUGH SEATTLE AIRPORT, SAID THAT
TRAVELER WAS WARNED FOUR TIMES THAT U.S. LAW REQUIRES
TRAVELERS POSSESSING MORE THAN DOLS 5,000 ARE REQUIRED TO
FILE DECLARATION ON ENTRY INTO U.S. MILLHOUSE SAID THAT
THIS WAS EXPLAINED TO AL-REFAI BY SEVERAL CUSTOMS OFFIC-
IALS. AL-REFAI APPEARS TO SPEAK EXCELLENT ENGLISH,
MILLHOUSE SAID, AND IN ANY CASE, SEATTLE AIRPORT HAS FORMS
IN FARSI AND ARABIC EXPLAINING THIS AND OTHER CUSTOMS
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REGULATIONS.

3. MILLHOUSE FURTHER STATED THAT, DURING THEIR FIRST
DISCUSSIONS, AL-REFAI TOLD CUSTOMS OFFICIALS THAT IF HE

DECLARED MORE THAN DOLS 5,000, AMOUNT IN EXCESS OF DOLS
5,000 WOULD BE CONFISCATED AND NOT RETURNED.

MILLHOUSE SAID THAT SEVERAL CUSTOMS OFFICIALS EXPLAINED THAT THIS WAS NOT REPEAT NOT TRUE, I.E., TRAVELER COULD KEEP ALL HIS MONEY. PURPOSE OF DECLARATION IS TO KEEP TRACK OF CURRENCY FLOW.

4. STEPHEN WINSTON, (OFFICE OF FINES, PENALTIES AND FORFEITURES IN SEATTLE CUSTOMS) NEXT HANDLED CASE. WINSTON SAID HIS OFFICE WAS IN CONTACT WITH AL-REFAI SEVERAL TIMES AND SAID THAT AL-REFAI HAD WRITTEN LETTER PETITIONING CUSTOMS TO RETURN THE APPROXIMATELY DOLS 9,600 THAT HAD BEEN TAKEN.

5. CASE THEN WENT TO CUSTOMS AGENCY SERVICE INVESTIGATOR WHO TOLD NEA/ARP THAT ENTIRE MATTER IS NOW AWAITING DECISION OF GRAND JURY. INVESTIGATOR DECLINED TO SPECULATE ON OUTCOME OF THE CASE BUT SAID THAT PENALTIES FOR THIS VIOLATION CAN RANGE FROM WORST EXTREME OF INDICTMENT FOR VIOLATION OF U.S. CURRENCY LAW AND FORFEITURE OF ALL FUNDS TO BEST CASE OF NO PENALTY AT ALL. CUSTOMS INVESTIGATOR SAID MINIMUM PENALTY ASSESSED IS FORFEITURE OF ONE PERCENT OF MONEY TAKEN. AVERAGE FORFEITURE IS 10 TO 15 PERCENT, SHE SAID. GRAND JURY DECISION SHOULD COME IN ABOUT TWO WEEKS. ALTHOUGH JURY DECIDES GUILT OR INNOCENCE, AMOUNT OF PENALTY (IF THERE IS ONE) IS DECISION OF CUSTOMS SERVICE.

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6. ALL THREE CUSTOMS OFFICIALS AGREE AL-REFAI DELIBERATELY VIOLATED CURRENCY LAWS IN SPITE OF BEING WARNED SEVERAL TIMES. INVESTIGATOR CLAIMED AL-REFAI TREATED MATTER QUOTE AS A JOKE UNQUOTE. FYI: SHE ALSO SAID THAT HE WAS THRID KUWAITI THAT WEEK TO VIOLATE CURRENCY LAW. END FYI.

7. NEA/ARP WILL CONTINUE TO FOLLOW CASE AS IT NEARS CONCLUSION. CUSTOMS WILL NOTIFY AL-REFAI OF OUTCOME OF CASE AND INFORM HIM OF PENALTY, IF THERE IS ONE. ARP ASKED IF AL-REFAI WOULD HAVE TO RETURN TO SEATTLE TO GET PART OR ALL OF HIS MONEY BACK. ANSWER IS QUOTE POSSIBLY UNQUOTE ALTHOUGH IT APPEARS THAT MONEY CAN BE RETURNED THROUGH KUWAITI EMBASSY IN WASHINGTON.

8. ARP HAS ASKED SEATTLE CUSTOMS SERVICE FOR COPY OF THE ARABIC AND FARSI INFORMATION SHEET WHICH IT GIVES TO ARRIVING TRAVELERS AND WILL FORWARD SAME TO EMBASSY KUWAIT. THIS INFORMATION IS NOT REPEAT NOT USED BY ALL

PORTS OF ENTRY IN U.S., BUT WAS PREPARED BY SEATTLE-AREA AUTHORITIES. EMBASSY KUWAIT MAY WISH TO PRODUCE SIMILAR

FORM TO GIVE TO KUWAITI TRAVELERS ADVISING THEM OF REQUIREMENT FOR DECLARATION OF CURRENCY (INCLUDING TRAVELER'S CHECKS) OF MORE THAN DOLS 5,000. FORM SHOULD ALSO ADVISE KUWAITI TRAVELERS THAT THERE IS NO LIMIT ON AMOUNT OF CASH WHICH CAN BE BROUGHT INTO COUNTRY BUT THAT IRS, THROUGH CUSTOMS, IS REQUIRED BY U.S. PUBLIC LAW TO KEEP TRACK OF CURRENCY FLOW INTO COUNTRY. EMBASSY CAN ASSURE AL-REFAI (AND KUWAITI FOREIGN MINISTRY) THAT THEY ARE NOT BEING SINGLED OUT (PARA 6 REFTEL) BUT THAT LAW APPLIES EQUALLY TO ALL TRAVELERS. CUSTOMS OFFICIALS NOTED THAT TRAVELERS FROM FAR EAST ALSO FREQUENTLY CARRY LARGE SUMS OF CASH AND TRAVELERS CHECKS AND ENCOUNTER SIMILAR DIFFICULTY.

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9. ARP OFFICER WILL ALSO DISCUSS MATTER WITH KUWAITI CONSUL IN WASHINGTON TO ENLIST HIS HELP IN AVOIDING FUTURE PROBLEMS AND TO DISCUSS WAYS AND MEANS OF SETTLING AL-REFAI MATTER TO BEST POSSIBLE SATISFACTION OF ALL CONCERNED.

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